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3) Bush congratulates Aso

ASAHI (Page 9) (Full)
September 25, 2008

NEW YORK-U.S. President Bush called Prime Minister Aso on the morning of Sept. 24 (on the evening of Sept. 24 Japan time) and congratulated him on his inauguration as prime minister. At the same time, Bush and Aso reaffirmed that the alliance between Japan and the United States remains rocksolid, according to National Security Council (NSC) Spokesman Johndroe from the White House. Bush was

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quoted as saying he was looking forward to seeing Aso when the Asia-Pacific Economic Cooperation (APEC) forum meets in November.

4) Launch of Aso "election-management cabinet"; Aso announces cabinet lineup himself

ASAHI (Top Play) (Excerpts)
September 25, 2008

Liberal Democratic Party (LDP) President Taro Aso was elected the nation's 92nd prime minister and launched his coalition government with the New Komeito yesterday. He appointed people who supported him in the presidential race to key posts, naming Shoichi Nakagawa as finance minister and state minister in charge of financial services, Kunio Hatoyama as internal affairs and communications minister, and Akira Amari as state minister in charge of administrative reform. He thus has demonstrated his own policy identity. The ruling coalition is making preparations to dissolve the House of Representatives in early October, making the new cabinet "an election management cabinet" in effect.

In a press conference last night, Aso emphasized: "I will fight the election with these members. We will fight openly and squarely." While saying: "The supplementary budget bill should be deliberated on" in the extraordinary Diet session, Aso expressed his distrust in the Democratic Party of Japan (DPJ), remarking: "We were often betrayed over the past year." He indicated a willingness to decide on the dates of Lower House dissolution and general election upon ascertaining how the DPJ would respond to a call for deliberations on the extra budget bill.

Aso instructed Secretary General Hiroyuki Hosoda, Policy Research Council Chairman Kosuke Hori, and other key members yesterday to speed up the formation of a policy manifesto for the Lower House election. They are expected to draw up the manifesto, based on Aso's campaign pledges in the party presidential election, including economic measures.

Aso announced his cabinet lineup himself in a press conference, although the announcement is traditionally made by the chief cabinet secretary. Aso told his aides: "I would like to send a message that the prime minister who was indirectly elected by the people under the parliamentary cabinet system picked the cabinet members."

While appointing lawmakers close to him as members of the cabinet, Aso also retained Kaoru Yosano as state minister in charge of economic and fiscal policy and former Defense Minister Shigeru Ishiba as agriculture, forestry and fisheries minister, both of whom ran against Aso.

When former Prime Minister Fukuda launched his cabinet, he kept 15 out of the 17 members of the reshuffled Abe cabinet in their posts. But Aso has kept only five members of the previous cabinet in his cabinet, including Environment Minister Tetsuo Saito of the New Komeito and State Minister in Charge of Consumer Affairs Seiko Noda. The new cabinet has five first-time appointees, including State

Minister in Charge of Declining Birthrate Yuko Obuchi, who became the nation's youngest postwar cabinet member at 34.

5) Wrangling over general election day to go into full swing between ruling, opposition camps; Nov. 2 or 9 likely in ruling parties

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NIKKEI (Page 2) (Full)
September 25, 2008

Following the inauguration of the new cabinet of Prime Minister Taro Aso, haggling over when the next House of Representatives election should be officially announced and be held will go into full gear between the ruling and opposition camps. In the ruling coalition, two ideas are now likely: "official announcement on Oct. 21 and voting on Nov. 2" and "announcement on Oct. 28 and voting on Nov. 9." Some have suggested setting the voting date at Nov. 3. In making a decision, the government will carefully observe what response the Democratic Party of Japan (DPJ) makes to a fiscal 2008 supplementary budget bill that includes financial resources for the government's comprehensive economic package.

In a press conference yesterday, Prime Minister Aso emphasized that he will carefully watch what response the opposition bloc takes to the extra budget bill.

The government might be criticized as irresponsible if it dissolves the Lower House without deliberations on a bill that earmarks expenses to fund assistance for small businesses and other economic stimulus measures when concerns about a global financial crisis are growing in the aftermath of the recent tumble of the U.S. monetary market. A senior Liberal Democratic Party member said last night: "Deliberations on the bill will start in the Lower House, but whether the bill is enacted or not will depend on the response by the opposition camp."

Keeping early November in mind, the New Komeito is making preparations for the election. A senior party member told LDP lawmakers: "Voting on Nov. 9 is more desirable than voting on Nov. 2." New Komeito President Akihiro Ota told reporters yesterday regarding the date of Lower House dissolution: "I would like to hold discussions after (Prime Minister Aso) returns home (from the United Nations' annual assembly)."

6) Aso's one-man show in cabinet selection sets off waves; Strong reaction from factions for his giving special preference to friends in selection process; Machimura faction miffed

NIKKEI (Page 2) (Excerpt)
September 25, 2008

The Aso Cabinet launched yesterday has little in the way of showcase appointments, but stood out instead as having been personally picked by Prime Minister Taro Aso. It was virtually a one-man show with appointments that gave special preference to Aso's friends. There have been sharp reactions from the factions, including the largest one, Machimura's, which had lined up in the camp of those favoring Aso. There has been no chance to make any revisions in the cabinet list from the start. Although there had been great expectations of the prime minister as the face of the party going into the election, the unity of his administration, depending on its ratings in the polls, is likely to unravel.

7) Average age of Abe cabinet ministers is four years younger than Fukuda cabinet; Ministers belonging to no LDP faction form largest group

TOKYO SHIMBUN (Page 3) (Full)
September 25, 2008

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Prime Minister Taro Aso has picked many of his friends to serve as

cabinet ministers. More than 60 PERCENT of the cabinet members are LDP lawmakers who succeeded to Diet seats held by their parents or grandparents. The average age of the Aso cabinet members is four years younger than the previous Fukuda cabinet. This newspaper has analyzed the profiles of all 18 cabinet ministers, including the prime minister.

Faction

Four of the ministers, including Health, Labor and Welfare Minister Yoichi Masuzoe and State Minister Economic and Fiscal Policy Kaoru Yosano, do not belong to any LDP factions, forming the largest group. Three cabinet posts were given to the Tsushima and Ibuki factions respectively. The Koga faction, the third-largest in the LDP, and the Yamasaki faction, the fourth-largest in the party, got one cabinet post respectively. However, the Yamasaki faction already received the party's deputy secretary general post. The Koga faction appears to have been treated unkindly. The Koumura faction did not get any post. Economy, Trade and Industry Minister Toshihiro Nikai is the only faction head to enter the Aso cabinet.

Age, number of times elected to Diet

The average age of the Aso cabinet ministers is 58.2, four years younger than the 62.0 of the previous Fukuda cabinet. The Cabinet Secretariat keeps the records of the cabinets since the second Sato cabinet in 1976. Accordingly, the average age of 58.2 makes Aso's the second-youngest cabinet on record, following the average age of 57.6 of the second Koizumi cabinet.

Heredity

Of the Aso cabinet members, 11, including Aso, hold "hereditary" seats, being lawmakers who succeeded to Diet seats held by their fathers or other relatives. Four members had a grandfather or father who served as prime minister.

Background and graduating school

The only minister who is a former bureaucrat is Land, Infrastructure and Transport Minister Nariaki Nakayama, who once served in the Finance Ministry. Four ministers, including National Public Safety Commission Chairman Tsutomu Sato, are former prefectural assembly members. Five ministers each graduated from the University of Tokyo and Keio University.

8) Foreign Minister Nakasone persistent rather than courageous

SANKEI (Page 4) (Full)
September 25, 2008

The father of new Foreign Minister Hirofumi Nakasone is former Prime Minister Yasuhiro Nakasone. After graduating from Keio University, Nakasone worked at Asahi Kasei Co. When his father assumed the prime minister's post in 1983, he became his father's secretary. He was first elected to the Diet in the 1986 House of Councillors election.

He has communication channels to South Korean prominent figures, including former President Chon Du Hwan, thanks to his father. He

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visited South Korea as the first Japanese education minister in the postwar period. The question is whether he can take advantage of the "Nakasone brand" in the international stage.

He served as advisor on the education issue to then Prime Minister Yoshiro Mori. In the Mori cabinet, he pulled the strings in revising the Basic Education Law, as the responsible person for the national council on education reform.

Although some have contended that he lacks gutsiness compared with his father and that his political presence is thin, he is said to have persistence as a politician. While supporting former Labor Minister Masakuni Murakami, who had influence over the Upper House, Nakasone often confronted Mikio Aoki, former chairman of the LDP

caucus in the Upper House, who was Murakami's political rival. He gave up running in the 2004 LDP Upper House chairmanship election because Aoki strongly supported then Land, Infrastructure, and Transport Minister Chikage Ogi.

Set off by his opposition to the postal privatization bill, many LDP members in the Upper House voted against the bill in August 2005. As a result, the bill was voted down in the Upper House. This led to dissolution of the Lower House and a general election. After that, he was unable to serve in any key post.

It was the practice for an LDP Upper House member to serve in a cabinet post for only once. However, due to the decline of Aoki's influence, Nakasone is now serving his second term.

He lives with his wife, son and daughter in the same house his father Yasuhiro Nakasone lives. He was raised under a strict discipline. He was a hockey player when he was a Keio University student and attended an Olympic training camp.

9) Defense Minister Hamada, who loves music, is a member of the new national defense policy clique

SANKEI (Page 4) (Full)
September 25, 2008

New appointed Defense Minister Yasukazu Hamada is the oldest son of former House of Representatives member Koichi Hamada, who was dubbed "a rough neck in the political world." Koichi never received any cabinet post. His son, Yasukazu, has served as deputy director general of the former Defense Agency, and director of the Liberal Democratic Party's National Defense Division. Along with Shigeru Ishiba and other LDP members, he is a member of a new breed of national defense advocates. Hamada as Defense Agency deputy director general gave a speech to Ground Self-Defense Force personnel deployed to Iraq, saying: "I want you as Self-Defense Force officers to show your samurai spirit." His remark caused a stir.

Regarding reform of the Defense Ministry after a scandal involving a former administrative vice defense minister over the procurement of equipment, Hamada, as chairman of the LDP's Subcommittee on Reform of the Defense Ministry, put forth a set of recommendations, including the creation of ministerial assistant posts, demonstrating his capability for implementing policy.

Contrary to his image of being a hardliner, he leads a band called "Gi ! nz." He is the vocal in the group. His predecessor Yoshimasa Hayashi is a member of the band. He and his wife have a son and a

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daughter. He enjoys playing golf and reading books.

10) New Finance Minister and State Minister in Charge of Financial Services Shoichi Nakagawa (55): Known as a hawk in the party

MAINICHI (Page 11) (Full)
September 25, 2008

Although he had held such posts as minister of the economy, trade and industry, agriculture minister, and party policy research chairman over a four year-period transcending the Koizumi and Abe administrations, since the Abe cabinet reshuffle last year, he has had no post. For the last year or so, he has headed a group he launched called the "True Conservative Policy Study Group," which is dedicated to continuing the policies of the former Abe Cabinet. Having also spent his time writing a book, he has had ample time to recharge his battery.

Following the death of his father Ichiro Nakagawa, he ran for the Lower House of the Diet in 1983 and won his first seat at the age of 30. He is known as the quintessential "hawk" in the party. As such, he has very close ties with Taro Aso and Shinzo Abe.

11) Obuchi, 34, becomes state minister in charge of declining birthrate

Prime Minister Taro Aso announced the cabinet lineup himself in a press conference held yesterday afternoon at the Prime Minister's Official Residence (Kantei). Aso appointed Yuko Obuchi, 34, a mother of one child, to be state minister in charge of declining birthrate, making her the youngest cabinet minister in postwar history. Aso has also sent Shigeru Ishiba, 51, a tough debater who vied for the LDP presidency with Aso, to the Agriculture, Forestry, and Fisheries Ministry, which is being rocked by the tainted rice resale issue. With the establishment of the new cabinet, an election mode has gained momentum.

Obuchi's son turns one today. He was born the day before former Prime Minister Yasuo Fukuda first formed his cabinet. Around 3 o'clock yesterday afternoon, Obuchi received a telephone call notifying her that she was being appointed declining-birthrate minister. She was in her office in the Diet members' Office Building.

"I just received a phone call from Prime Minister Aso himself," Obuchi said to reporters waiting outside her office. "I feel truly honored. I will work hard so that no one can tell me that I'm too young and have no experience." She also indicated that raising a child is no easy task and can be distressing. "I'd like to help create an environment where people with children can feel safe."

Shortly after 6 o'clock in the afternoon, she was still watching the prime minister announce the cabinet lineup on television in her office. But when she received a call to report to the Kantei, she immediately left her office.

She seemed somewhat tense at a press conference at the Kantei. Asked how she handles both being a lawmaker and a mother, she said: "It's not only me, other people are having a hard time, too. It's not

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something I can boast about. As minister in charge of declining birth rate, I want to integrate my own experiences into policy."

Following the sudden death of her father, then Prime Minister Keizo Obuchi, Yuko Obuchi, who had never run for office, ran for his seat in June 2006 and won. She is now in her third term. In December 2004, she married a producer at a commercial TV broadcaster. In the press conference, she expressed her aspirations while keeping her eyes on the script. At one point, she said about striking a balance between her job and childrearing, "I've been walking a tightrope." About the telephone call on her appointment, she said: "I was really surprised to receive the call from the prime minister himself."

12) Abduction Minister Nakayama not reappointed; Abduction family group in shock

MAINICHI (Page 28) (Abridged slightly)
September 25, 2008

By Kyoko Hirota

Shigeo Iizuka, 70, chairman of the Association of the Families of Victims of Kidnapped by North Korea, met the press last night in front of his residence in Ageo City, Saitama Prefecture. Touching on the fact that Kyoko Nakayama was not reappointed as abduction issue minister, Iizuka said perplexedly: "We are shocked. Our group has put a lot of trust in her. We wonder who we should consult with in the future."

Regarding the fact that the chief cabinet secretary is now concurrently responsible for the abduction issue, Iizuka said: "He is in a position to deal with a variety of issues. We are worried about whether he can advance the abduction issue as a top priority and if he can address the issue based on the government's position toward a settlement."

Iizuka added: "The government has concluded that it will not forget the abduction issue, but that might be derailed by a Lower House

dissolution for a snap general election. The situation has been changing so fast that we really don't know what to do. We just want the administration to deal with the matter appropriately."

13) Voters think lawmakers don't understand how they live, skeptical about second-generation Diet members

MAIHICHI (Page 28) (Abridged slightly)
September 25, 2008

What impression does the public have about the lineup of the Aso cabinet and what do they expect of the new cabinet ministers? The newspaper interviewed some voters in Shinbashi and Shinjuku.

? Shinbashi

Shoichi Yamamoto, the 51-year-old manager of a Japanese-style pub near JR Shinbashi Station, said: "Everything was decided behind the scenes."

The dwindling economy has directly hit the pub. Visits to the pub by the average customer have declined from three times a week to twice, and the average sales-per-customer have dropped to the 1,000-yen level. "Serving dishes at low prices is our sales point, so we

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cannot raise prices," Yamamoto said. He also spoke on behalf of some salaried workers who were discussing politics there: "Their conversations usually center on their companies. They are all concerned about their livelihoods." Yamamoto quipped about the appointment of Yuko Obuchi as declining birthrate minister: "She was appointed to court public favor for the sake of the next election."

Hideyuki Arai, 58, the owner of a trucking company in Minato Ward, who was shopping at a supermarket, took this view as he looked at such names as Hirofumi Nakasone, the new foreign minister, and Obuchi: "The lineup includes so many second-generation lawmakers. I wonder if the second- and third-generation Diet members, including Mr. Aso, understand how the general public lives. First of all, they have to do something about the economy."

Eiko Asakawa, a 63-year old housewife in Shiki, Saitama Prefecture, on her way back from the hospital, noted about Obuchi: "She looks like the girl next door. The post should be given to a person with more experience."

? Shinjuku

A 33-year-old company employee from Mitaka, who was waiting for a friend in front of Shinjuku Station, said: "Because so many strings are attached to the LDP, the party cannot change politics no matter who becomes the prime minister. If an election was held now, I would vote for the DPJ. I want to see an Ozawa cabinet."

Iyoko Kobayashi, 52, a shopper from Sano, Tochigi Prefecture, and the owner of a soba restaurant, said disapprovingly: "When using a car on business, I opt for self-serve gas stations in order to reduce costs. Politicians do not know the efforts of the general public." Recent cabinets were all short-lived. Kobayashi added: "You cannot remember the names of past prime ministers, can you? One cannot produce results unless he serves in the post as long as Mr. Koizumi did."

"The Aso cabinet is a transitory government that will be in place until the next general election," a 40-year-old employee of a liquor maker from Saitama City noted. He also indicated that he cannot expect anything from the new cabinet.

14) Main points from Prime Minister Aso's press remarks

ASAHI (Page 4) (Full)
September 25, 2008

The following is a gist of Prime Minister Aso's remarks from yesterday's inaugural press conference.

Opening remarks

People are concerned about the nation's economy and their daily lives, and they are also distrustful of politics. As it stands, I'm taking a severe view of the fact that we are in a crisis. I will make Japan bright and strong. This is my task. I want to tell all cabinet ministers about the following points. We will push ahead with policy measures for the people. We will control the bureaucrats. We will devote ourselves to bettering our national interests. This is the best of all, I think

Snap election

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I will implement at least emergency economic stimulus measures for the current economic slump. Accordingly, I want the supplementary budget discussed. I will think about when to dissolve the Diet for a general election, after taking into consideration whether they (the opposition bench) will respond to deliberations on it.

Maritime Self-Defense Force refueling in the Indian Ocean

Nearly 90 PERCENT of Japan's oil imports comes through the Indian Ocean. The world is fighting terrorism, and of course, as a member of the international community, we must resolutely fight terrorism. We'll have to carry out the refueling mission. The question is whether to use a second overriding vote with two-thirds in the House of Representatives, but I will make a decision after seeing how the Democratic Party of Japan (Minshuto) responds.

End to fiscal, monetary segregation

In the meeting of finance ministers from foreign countries, none of them would say they have nothing to do with monetary affairs. The finance minister should concurrently be in charge of monetary affairs.

Raising state liability for basic pension fund and turning primary balance around

We've promised (to raise state liability for the basic pension fund), so we will do that. Achieving the primary balance by 2011 was premised on an economic growth of 3 PERCENT. But now, our economic growth may be minus 3 PERCENT. The preconditions are now substantially upset, and we cannot ignore this.

15) Aso cabinet sets sails: Diplomatic debut at UN General Assembly

SANKEI (Page 5) (Abridged slightly)
September 25, 2008

The new Aso administration has gotten under way, but it is saddled with many challenges. Prime Minister Taro Aso will visit New York on September 25 to deliver a speech at the UN General Assembly. He leaves behind a mountain of pending issues including ones in the social security area that are closely related to the people's lives. How he will address those issues will likely have a major impact on the next Lower House election.

This is the first time in three years for a Japanese prime minister to attend the fall session of the UN General Assembly, the last being Junichiro Koizumi. Prime Minister Aso will stress in his speech Japan's resolve to continue its participation in the war on terror, as well as to seek a permanent seat on the UN Security Council (UNSC). His schedule is very tight. He will leave New York in early hours of the 27th without staying there overnight. He wants to demonstrate a showy summit diplomacy, having in mind the effect on the snap election that will follow his dissolution of the Lower House just ahead.

The UN General Assembly was also the venue for then Prime Minister Keizo Obuchi's first overseas trip in 1998. Aso will separately meet with UN Secretary General Ban Ki Moon and the prime ministers of Iraq and Australia during his 10-hour stay in New York. There will

be no meeting with President Bush, because of a scheduling conflict.

In a speech to be delivered at the UN General Assembly, Aso will stress Japan's resolve to continue to contribute to war on terror in such countries as Afghanistan, as well as seek support for Japan's entry into the UNSC. He is also expected to indicate his determination for Japan to take the lead in combating global warming, based on the achievements at the Hokkaido Lake Toya Summit (G-8) in July.

The government sees the prime minister's first foreign trip as a chance for him to showcase his diplomatic plan, according to a Foreign Ministry source. Many Liberal Democratic Party (LDP) members pin high hopes on Aso's foreign trip, with one saying, "This will be an opportunity for us to sell the new prime minister to the international community and make our appeal to the public prior to the general election."

However, whether the international community will seriously take the prime minister's resolve is premised on whether his administration's political base is solid or not. Aso is the fourth Japanese prime minister since the terrorist attack on the U.S. seven years ago. Whether Japan will continue refueling operations by the Maritime Self-Defense Force in the Indian Ocean, which expire in January 15, 2009, remains unclear.

In addition, it is conceivable that the LDP may fall into the opposition camp in the upcoming general election. One diplomatic source said, "The international community will not seriously listen to the Japanese prime minister's statement under the present conditions. Japan cannot loudly call for reforming the UNSC, either."

16) Refueling issue likely to set off sparks between Japan, U.S.

NIKKEI (Page 2) (Full)
September 25, 2008

One of the pressing diplomatic challenges for new Prime Minister Taro Aso will be steering Japan's strained relations with the United States over cooperation on antiterrorist operations in Afghanistan. The Maritime Self-Defense Force has been tasked with refueling activities in the Indian Ocean under a time-limited law that is set to expire in January. There is no prospect yet in sight, however, for the law to be extended. The United States also has urged Japan to make still greater contributions in such a form as sending Self-Defense Forces troops to Afghanistan. These bilateral issues continue to smolder. Prime Minister Aso, who has experience as foreign minister, will now be tested on whether he can find a way out of this predicament.

Aso will depart this afternoon for New York to attend the United Nations General Assembly, where he will deliver a speech and clarify Japan's contributions to the war on terror.

Meanwhile, the government has decided to withdraw Air Self-Defense Force troops from Iraq. As it stands, refueling will be the only form of contribution left in the SDF's antiterror cooperation. Aso will try to pass a bill amending the law to extend the MSDF's refueling mission. However, it will be difficult to do with a snap election for the House of Representatives close at hand.

17) Gates may have aimed remark at Japan: Those allies not dispatching troops to Afghanistan should provide funding

YOMIURI (Page 7) (Full)
September 25, 2008

WASHINGTON-U.S. Secretary of Defense Gates testified yesterday

before the Senate Committee on Armed Services about the situation in Afghanistan. "This is a good chance for those allies that have not sent combat troops to Afghanistan to provide the Afghan forces with financial assistance," Gates stated before the committee. He also clarified that the United States hopes for contributions from U.S. allies in Asia, so he is believed to be calling on Japan for additional funding.

The United States is growing frustrated with the possibility that Japan may discontinue the Maritime Self-Defense Force's refueling activities in the Indian Ocean. On the other hand, Japan will likely find it difficult to respond if the United States is asking it to provide military assistance in the financial area.

In his testimony, Gates referred to a plan for Afghanistan to double its 65,000-strong armed forces to 122,000 as a pillar of public security in that country. "To that end, they will need 2-2.5 billion dollars a year," Gates said. "But," he added, "the Afghan government's budget is only 700 million dollars."

18) DPJ outlines roadmap for manifesto, calling for promptly abolishing provisional gasoline tax

ASAHI (Page 1) (Full)
September 25, 2008

The Democratic Party of Japan (DPJ) has outlined a roadmap for its policy manifesto for the next House of Representatives election. The party classifies the four years from the year when it seizes political power until the expiration of its term into three stages: the initial year (fiscal 2009); the second term (fiscal 2010-2011); and the third term (fiscal 2012). It proposes abolishing the provisional gasoline tax in the initial year and implementing a plan to unify the current pension systems in the third term.

The roadmap explains that 22 trillion yen needed to finance the priority policies proposed in the manifesto will be raised in the third term by revising the budget. The main opposition party plans to finalize by the end of this month its manifesto that specifies the scale of financial resources in each term in accordance with the roadmap.

According to the roadmap, the DPJ would begin addressing the challenge of scrapping the provisional tax right after it grabs power. Emphasizing that this measure will immediately reduce gasoline prices by about 25 yen per liter and contribute to lower gas prices, the party is going to present the measure as "the fruit of the change of government."

Regarding the pension-unification plan, it will take time for designing a system, so the DPJ has decided to start work in fiscal [2012](#).

In reforming the medical system, the party will aim at abolishing

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the health insurance system for people aged 75 or older in the initial year and unifying the medical insurance systems in the second term or later. To create a subsidy system for individual farmers and a child-rearing support system, enacting related bills will become necessary, so the party intends to carry them out in the second term. The roadmap notes that the plan to waive expressway tolls should be partially started in the initial year.

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